

**STATE OF MICHIGAN  
DEPARTMENT OF LABOR AND ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE SERVICES**

**Before the Commissioner of the Office of Financial and Insurance Services**

**Office of Financial and Insurance Services**

**Petitioner**

**Enforcement Case No. 05-3168**

**Michael R. Kay  
License No. 369-15-0227**

**Respondent**  
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**For the Petitioner:**

**Tracy Post (P62602)  
Office of Financial and Insurance Service  
611 W. Ottawa, 3<sup>rd</sup> Floor  
Lansing, MI 48933  
(517) 373-2887  
FAX (517) 241-3953**  
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**For the Respondent:**

**Michael R. Kay  
c/o Gregory I. Thomas (P32488)  
Thomas, DeGrood & Witenoff  
400 Galleria Officentre, Suite 550  
Southfield, MI 48034  
(248) 353-4450  
FAX (248) 353-4451**

**Issued and entered  
on 23 January, 2007  
by Frances K. Wallace  
Chief Deputy Commissioner**

**CONSENT ORDER AND STIPULATION**

**A. Findings of fact and conclusions of law**

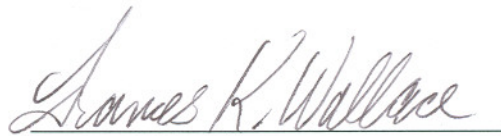
1. At all pertinent times, Michael R. Kay ("Respondent"), license # 369-15-0227, was a licensed resident producer authorized transact insurance in the State of Michigan.

2. Respondent knew, or had reason to know, that Section 2005(a) of the Code provides that an unfair method of competition and an unfair or deceptive act or practice in the business of insurance means the making, issuing, circulating, or causing to be made, issued, or circulated, an estimate, illustration, circular, statement, sales presentation, or comparison which by omission of a material fact or incorrect statement of a material fact misrepresents the terms, benefits, advantages, or conditions of an insurance policy.
3. As a licensed resident producer, Respondent knew, or had reason to know, that Section 1239(1)(h) provides that the commissioner may place on probation, suspend, and revoke an insurance producer's license for using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.
4. From the period of February 2003 to December 2005, The Office of Financial and Insurance Services received four complaints from consumers alleging that the Respondent misrepresented the terms, benefits, advantages, or conditions of an insurance policy.
5. On or about November 28, 2006 OFIS issued a Complaint in this matter alleging violations of Sections 2005(a) and 1239(1)(h) of the Insurance Code. On or about December 29, 2006, Respondent filed his Answer to Complaint. The Respondent denied all alleged violations in his Answer.
6. In order to bring this matter to a conclusion, the parties have agreed to stipulate to the entry of an order, wherein Respondent will pay a civil fine of \$1,000. The status of the Respondent's insurance producer license will be unchanged as a result of this settlement.

## **B. ORDER**

Based on the findings of fact and conclusions of law above and Respondent's stipulation, it is ORDERED that:

1. Respondent shall refrain from any omission of a material fact or incorrect statement of a material fact which misrepresents the terms, benefits, advantages, or conditions of an insurance policy. Respondent shall adhere to and abide by all relevant sections of the Michigan Insurance Code, MCL 500.100, et. seq.
2. Respondent shall pay a civil fine or penalty of \$1,000.00.
3. OFIS will close the pending enforcement file.

A handwritten signature in cursive script, reading "Frances K. Wallace", written in dark ink. The signature is positioned above a horizontal line.

Frances K. Wallace  
Chief Deputy Commissioner